

§ 40.491

credit or refund, the manufacturer shall attach the original of the schedule to the claim for credit or refund, TTB F 5620.8, filed under § 40.473. When an appropriate TTB officer is assigned to verify the schedule and supervise disposition of the cigarette papers and tubes, such officer shall, upon completion of the assignment, execute a certificate on all copies of the schedule to show the disposition and the date of disposition of the articles. In connection with a claim for allowance, the officer shall return one copy of the schedule to the manufacturer for the record, and in connection with a claim for credit or refund, the officer shall return the original and one copy of the schedule to the manufacturer, the original of which the manufacturer shall attach to the claim filed under § 40.473.

(72 Stat. 1419, as amended; 26 U.S.C. 26 U.S.C. 5705)

Subpart L—Manufacture of Processed Tobacco

SOURCE: T.D. TTB-78, 74 FR 29410, June 22, 2009, unless otherwise noted.

QUALIFICATION REQUIREMENTS FOR MANUFACTURERS OF PROCESSED TOBACCO

§ 40.491 Persons required to qualify.

(a) *General.* Except as otherwise provided in paragraph (b) of this section, every person who engages in the processing of tobacco must first qualify for and receive a permit as a manufacturer of processed tobacco in accordance with the provisions of this subpart.

(b) *Exceptions.* (1) A person who engages in the processing of tobacco solely for his own personal use or consumption and not for sale or transfer to another person is not engaged in the manufacture of processed tobacco for purposes of this part and, accordingly, is not required to qualify as a manufacturer of processed tobacco.

(2) Any person who holds a TTB permit for the manufacture of tobacco products is thereby authorized to process tobacco solely for use in the manufacture of tobacco products under that permit, so long as the processed tobacco is not removed from the factory for any purpose other than destruction.

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Such a manufacturer is not required to qualify under this subpart as a manufacturer of processed tobacco.

(3) Any person that holds a TTB permit for the manufacture of tobacco products and that removes processed tobacco from the factory must apply for authorization to engage in that activity, when required to do so under § 40.47.

[T.D. TTB-78, 74 FR 29410, June 22, 2009, as amended by T.D. TTB-104, 77 FR 37304, June 21, 2012]

§ 40.492 Application for permit.

The application for a permit as a manufacturer of processed tobacco must be made on TTB F 5200.3, according to the instructions on the form. All documents required under this subpart to be furnished with the application must be included with the application.

§ 40.493 Transitional rule.

(a) Any person who:

(1) On April 1, 2009, is engaged in business as a manufacturer of processed tobacco; and

(2) On or before June 30, 2009, submits an application for a permit or authorization as provided in this part to engage in such business, may continue to engage in that business pending final action on the application.

(b) Pending final action on an application or request for authorization submitted under paragraph (a) of this section, all provisions of chapter 52 of the Internal Revenue Code of 1986 shall apply to the applicant in the same manner and to the same extent as if the applicant were a holder of a permit to manufacture processed tobacco under chapter 52.

(c) Upon receipt of an application, the appropriate TTB officer will provide the applicant with a written acknowledgement that may be used for a limited period as confirmation of TTB authorization to engage in the business of a manufacturer of processed tobacco.

[T.D. TTB-78, 74 FR 29410, June 22, 2009, as amended by T.D. TTB-80, 74 FR 37552, July 29, 2009]

§ 40.494 Corporate documents.

Every corporation that files an application for a permit as a manufacturer